

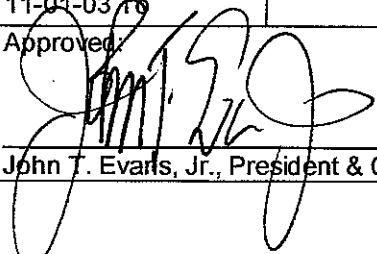
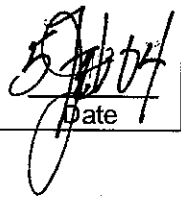


Central
Washington
Hospital

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FEB 09 2004

EPIDEMIOLOGY, HEALTH STATISTICS,
PUBLIC HEALTH LABORATORIES

POLICY: CONTACT: Patient Accounts	Page 1 of 5	Number 8531.04.02	Status Aug 01
FUNCTION: STANDARD:	Effective Dates: 11-01-03 To	Deletion Date/Signature	Supersedes No/Date 8531.04.02/Aug 01
SUBJECT: CHARITY CARE POLICY	Approved:  John T. Evars, Jr., President & CEO		
			Date 

POLICY:

Central Washington Hospital (hereafter referred to as hospital) is committed to the provision of health care services to all persons in need of medical attention regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of charity care, consistent with the requirements of the Washington Administrative Code, Chapter 246-453, are established.

COMMUNICATIONS TO THE PUBLIC:

The hospital's charity care policy will be made publicly available through the following elements:

- A notice advising patients that the hospital provides charity care will be posted in key areas of the hospital, including Admissions, the Emergency Department, and Cashier Office.
- The hospital will have a written notice indicating the policy to patients at the time that the hospital requests information pertaining to third party coverage
- The written information will be available in any language spoken by more than ten percent of the population in the hospital's service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the writing and/or explanation.
- The hospital will train Admitting and Patient Accounts staff to answer charity care questions effectively.
- Written information about the hospital's Charity Care Policy will be made available to any person who requests the information, either by mail, by telephone or in person. The hospital's sliding fee schedule will also be made available upon request.

ELIGIBILITY CRITERIA:

Charity care is generally secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g. auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services.

The medically indigent patient, qualifying for charity care under the sliding fee schedule, will be granted charity care regardless of race, color, sex, religion, age, national origin, or immigration status.

In those situations where appropriate primary payment sources are not available, patients will be considered for charity care under this hospital policy based on the following criteria:

- The full amount of hospital charges will be determined to be charity care for a patient whose gross family income is at or below 100% of the current federal poverty level (consistent with WAC 246-435).

- B. The following sliding fee schedule will be used to determine the amount that will be written off for patients with incomes between 101% and 200% of the current federal poverty level.

<u>INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL</u>	<u>PERCENTAGE DISCOUNT</u>
101 – 133%	75%
134 – 166%	50%
167 – 200%	25%

- C. Catastrophic Charity. The hospital may write off as charity care amounts for patients with family income in excess of 200% of the federal poverty level when circumstances indicate severe financial hardship or personal loss.

The responsible party's financial obligation which remains after the application of any sliding fee schedule will be payable in monthly installments over a reasonable period of time, without interest or late fees, as negotiated between the hospital and the responsible party. The responsible party's account will not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account, and there is no satisfactory contact with the patient.

PROCESS FOR ELIGIBILITY DETERMINATION:

A. Initial Determination:

1. The hospital will use an application process for determining eligibility for charity care
2. During the patient registration process, or at any time prior to the final payment of the bill and after the patient has been notified of the existence and availability of charity care, the hospital will make an initial determination of eligibility based on verbal or written application for charity care.
3. Pending final eligibility determination, the hospital will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with the hospital's efforts to reach a final determination of sponsorship status.
4. If the hospital becomes aware of factors which might qualify the patient for charity care under this policy, it will advise the patient of this potential and make an initial determination that such account is to be treated as charity care.

B. Final Determination:

1. **Prima Facie Write-Offs.** In the event that the responsible party's identification as an indigent person is obvious to hospital personnel, and the hospital can establish that the applicant's income is clearly within the range of eligibility, the hospital will grant charity care based solely on this initial determination. In these cases, the hospital is not required to complete full verification or documentation. (In accordance with WAC 246-453-030 (3)).
 2. Charity care forms, instructions, and written applications will be furnished to patients when charity care is requested, when need is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or the hospital, should be accompanied by documentation to verify income amounts indicated on the application form. Any one of the following documents will be considered sufficient evidence upon which to base the final determination of charity care eligibility:
 - a. A "W-2" withholding statement;
 - b. Pay stubs from all employment during the relevant time period;
 - c. An income tax return from the most recently filed calendar year;
 - d. Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;
 - e. Forms approving or denying unemployment compensation; or
 - f. Written statements from employers or DSHS employees.
 3. During the initial request period, the patient and the hospital may pursue other sources of funding, including Medical Assistance and Medicare. The Hospital may not require that a patient applying for a determination of indigent status seek bank or other loan source funding.
 4. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.
 5. In the event that the responsible party is not able to provide any of the documentation described above, the hospital will rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person. (WAC 246-453-030 (4)).
- C. The hospital will allow a patient to apply for charity care at any point from pre-admission to final payment of the bill, recognizing that a patient's ability to pay over an extended period may be substantially altered due to illness or financial

hardship, resulting in a need for charity services. If the change in financial status is temporary, the hospital may choose to suspend payments temporarily rather than initiate charity care.

D. Time frame for final determination and appeals.

1. Each charity care applicant who has been initially determined eligible for charity care will be provided with at least thirty (30) calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her charity care application prior to receiving a final determination of sponsorship status.
 2. The hospital will notify the applicant of its final determination within fourteen (14) days of receipt of all application and documentation material.
 3. The patient/guarantor may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the Director of Patient Financial Services within thirty (30) days of receipt of notification.
 4. The timing of reaching a final determination of charity care status will have no bearing on the identification of charity care deductions from revenue as distinct from bad debts, in accordance with WAC 246-453-020 (10).
- E. If the patient has paid some or the entire bill for medical services and is later found to have been eligible for charity care at the time services were provided, he/she will be reimbursed for any amounts in excess of what is determined to be owed. The patient will be reimbursed within thirty (30) days of receiving the charity care designation.**

F. Adequate notice of denial:

1. When a patient's application for charity care is denied, the patient will receive a written notice of denial which includes:
 - a. The reason or reasons for the denial;
 - b. The date of the decision; and
 - c. Instructions for appeal or reconsideration.
2. When the applicant does not provide requested information and there is not enough information available for the hospital to determine eligibility, the denial notice also includes:
 - a. A description of the information that was requested and not provided;
 - b. A statement that eligibility for charity care cannot be established based on information available to the hospital; and
 - c. That eligibility will be determined if, within thirty days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.
3. The Director of Patient Financial Services will review all appeals. If this review affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

DOCUMENTATION AND RECORDS:

- A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.
- B. Documents pertaining to charity care will be retained for ten (10) years.

REVIEWED BY:

Norman Whitman, Patient Accounts 10/03
Vicki Feiten, Patient Accounts Supervisor

CHARITY CARE APPLICATION CHECKLIST

Date: _____

Patient: _____ Guarantor: _____

Open Accounts For This Guarantor or Family:

Account Number	Final Bill Date	Current Balance	X Charity %	Amount To Be Included In This Request

Verified that stated income amounts are gross amounts, not net income? ☐ Yes ☐ No

Total Gross Income For The Last 12 Months: _____

2003 Federal Poverty Guidelines

Size of Family	Discount Amount			
	100%	75%	50%	25%
	Poverty Guidelines			
Family	100%	101-133%	134-166%	167-200%
1	\$8,980	\$11,943	\$14,907	\$17,960
2	\$12,120	\$16,120	\$20,119	\$24,240
3	\$15,260	\$20,296	\$25,332	\$30,520
4	\$18,400	\$24,472	\$30,544	\$36,800
5	\$21,540	\$28,648	\$35,756	\$43,080
6	\$24,680	\$32,824	\$40,969	\$49,360
7	\$27,820	\$37,001	\$46,181	\$55,640
8	\$30,960	\$41,177	\$51,394	\$61,920
9	\$34,100	\$45,353	\$56,606	\$68,200
10	\$37,240	\$49,529	\$61,818	\$74,480
11	\$40,380	\$53,705	\$67,031	\$80,760
12	\$43,520	\$57,882	\$72,243	\$87,040

Checklist:

Completed Financial Statement Attached? ☐ Yes ☐ No ☐ Not Available

Verification Method (check one):

- ☐ W-2 withholding statement
- ☐ Pay Stubs from all employment last three months
- ☐ 1040 Income Tax Return for most recent year
- ☐ Medicaid denial letter
- ☐ Unemployment denial letter
- Written Statement from employer or DSHS employee

Payment History:

All third-party payment sources exhausted. ☐ Yes ☐ No ☐ Has None
Copies of all accounts payment history attached. ☐ Yes ☐ No

Medicaid:

Has applicant applied for Medicaid? ☐ Yes ☐ No
Was application denied? ☐ Yes ☐ No
Copy of denial must be attached.

Date

Patient Account Representative

>>>> FOR SUPERVISOR'S USE ONLY <<<<

Date: _____ ☐ Approved ☐ Denied

Reason Denied: _____

Letter Mailed: ☐ Yes ☐ No

Bad Debt accounts cancelled from agency on _____

Date

Patient Accounts Supervisor